

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPECTED SUB REPORT/abd.

910201 Open from Raymond Duncan to Duncan Energy eff. 6-21-90.

Confidential Status Expired Effective 8-22-91DATE FILED **6/28/90**

LAND, FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

U-47876

INDIAN

DRILLING APPROVED: **7/6/90**

SPUDED IN

COMPLETED: **8-22-91 LA** PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **LA'D PER BLM Effective 8-22-91**FIELD: **CAVE CANYON**UNIT: **CAVE CANYON**COUNTY: **SAN JUAN**WELL NO: **CAVE CANYON FEDERAL 3-4****API NO. 43-037-31542**LOCATION: **1090' FNL** FT. FROM (N) (S) LINE.**780' FWL**

FT. FROM (E) (W) LINE

NW NW

1/4 - 1/4 SEC.

3

TWP

RGE

SEC.

OPERATOR

Duncan Energy Co.

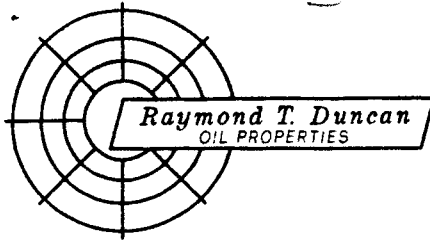
TWP

RGE

SEC.

OPERATOR

38S**24E****3****RAYMOND T. DUNCAN**



1777 SOUTH HARRISON STREET • PENTHOUSE ONE
TELEPHONE (303) 759-3303 • DENVER, COLORADO 80210

June 5, 1990

Bureau of Land Management
P. O. Box 970
Moab, UT 84532

Re: Cave Canyon No. 3-4
780' FWL & 1090' FNL
NW NW Sec. 3-T38S-R24E
San Juan County, UT

Gentlemen:

This letter is to inform you that Permitco is authorized to act as Agent and to sign documents on behalf of Raymond T. Duncan when necessary for filing County, State, and Federal permits including Onshore Order No. 1, Right-of-Way applications, etc., for the above captioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production, or compliance with regulations.

Raymond T. Duncan agrees to accept full responsibility for operations conducted in order to drill, complete, and produce the above captioned well.

Sincerely,

RAYMOND T. DUNCAN

W. S. Fallin

W. S. Fallin
Production Manager

WSF:kb

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING(Other instructions on
reverse side)

JUN 28 1990

CONFIDENTIAL

5. Lease Designation and Serial No.

U-47876

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Cave Canyon Unit

8. Farm or Lease Name

Cave Canyon Federal

9. Well No.

#3-4

10. Field and Pool, or Wildcat

Cave Canyon 303

11. Sec., T., R., M., or Blk.
and Survey or Area

Sec. 3 T38S - R24E

12. County or Parrish 13. State

San Juan, Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

OIL, GAS & MINING

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. Type of Well

Oil Well ☒Gas Well ☐

Other

Single Zone ☐Multiple Zone ☐

2. Name of Operator 303-759-3303

1777 S. Harrison St. PH 1

Raymond T. Duncan

Denver, Co. 80210

3. Address of Operator 303-452-8888

13585 Jackson Drive

Permitco, Inc. Agent

Denver, Co. 80241

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface

1090' FNL & 780' FWL

At proposed prod. zone

NWNW

14. Distance in miles and direction from nearest town or post office*

32 Miles southeast of Monticello, Utah

12. County or Parrish 13. State

San Juan, Utah

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drlg. line, if any)

230'

16. No. of acres in lease
1289.4417. No. of acres assigned
to this well 4018. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

900' Approx.

19. Proposed depth
6180' FIKAH20. Rotary or cable tools
Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5316 GR

22. Approx. date work will start*

July 15, 1990

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17 1/2"	13 3/8"	48#	120'	To Surface
12 1/4"	8 5/8"	24#	1915'	1050 Sx or suffic to circ to
7 7/8"	5 1/2"	15.5#	6180'	400 Sx or Suffic to Cover Zones of interest

Raymond T. Duncan proposes to drill a well to 6180' to test the Ismay formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See On Shore Order No. 1 attached.

We realize that the above location has been staked at non-standard footages in accordance with the spacing rules of the State of Utah, Division of Oil, Gas & Mining. This location was based on topography and seismic considerations and we request that you grant approval of an exception to spacing. Raymond T. Duncan is the lessee of all of Sections 3 & 4, T38S R24E.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Dean G. Smith

Title

Consultant for

Raymond T. Duncan

Date

6/25/90

(This space for Federal or State office use)

Permit No.

43-037-31540

Approval Date

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

Approved by

Title

Conditions of approval, if any:

*See Instructions On Reverse Side

SPACING: R415-2-3

Form OGC-1a

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on reverse side)

5. Lease Designation and Serial No.

U-47876

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Cave Canyon Unit

8. Farm or Lease Name

Cave Canyon Federal

9. Well No.

#3-4

10. Field and Pool, or Wildcat

Cave Canyon

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 3 T38S - R24E

12. County or Parrish 13. State

San Juan, Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. Type of Well

Oil Well ☒Gas Well ☐

Other

Single Zone ☐Multiple Zone ☐

2. Name of Operator 303-759-3303

1777 S. Harrison St. PH 1

Raymond T. Duncan

Denver, Co. 80210

3. Address of Operator 303-452-8888

13585 Jackson Dr

Permitco, Inc. Agent

Denver, Co. 80210

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface

1090' FNL & 780' FWL

At proposed prod. zone

NWNW

14. Distance in miles and direction from nearest town or post office*

32 Miles southeast of Monticello, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)

230'

16. No. of acres in lease

1289.44

17. No. of acres assigned to this well

40

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

900' Approx.

19. Proposed depth

6180'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5316 GR

22. Approx. date work will start*

July 15, 1990

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Raymond T. Duncan

Title

Consultant for

Raymond T. Duncan

Date

6/25/90

(This space for Federal or State office use)

Permit No.

Approval Date

Approved by

Title

Date

Conditions of approval, if any:

Form 3160-3
(November 1983)
(formerly 9-331C)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-47876
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE BORE <input type="checkbox"/> MULTIPLE BORE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR 303-759-3303 1777 S. Harrison, Penthouse 1 Raymond T. Duncan Denver, Colorado 80210		7. UNIT AGREEMENT NAME Cave Canyon Unit
3. ADDRESS OF OPERATOR 303-452-8888 13585 Jackson Road Permitco Inc., Agent Denver, Colorado 80231		8. FARM OR LEASE NAME Cave Canyon Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1090' FNL & 780' FWL At proposed prod. zone NW NW		9. WELL NO. #3-4
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 32 miles southeast of Monticello, Utah		10. FIELD AND POOL, OR WILDCAT Cave Canyon Field
16. NO. OF ACRES IN LEASE 1289.44		11. SEC., T., R., N., OR E.L. AND SURVEY OR AREA Sec. 3 T38S - R24E
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 230'		12. COUNTY OR PARISH 13. STATE San Juan Utah
19. PROPOSED DEPTH 6180'		20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5316' GR		22. APPROX. DATE WORK WILL START* July 15, 1990

RECEIVED
JUN 28 1990
DIVISION OF
OIL, GAS & MINING

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	120'	To Surface
12 1/4"	8 5/8"	24#	1915'	1050 Sx or suffic to circ to
7 7/8"	5 1/2"	15.5#	6180'	400 Sx or Suffic to cover zon of interest

Raymond T. Duncan proposes to drill a well to 6180' to test the ls may formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See On shore Order No. 1 attached.

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24. SIGNED Raymond T. Duncan Consultant for DATE 6/26/90
TITLE Raymond T. Duncan
(This space for Federal or State office use)

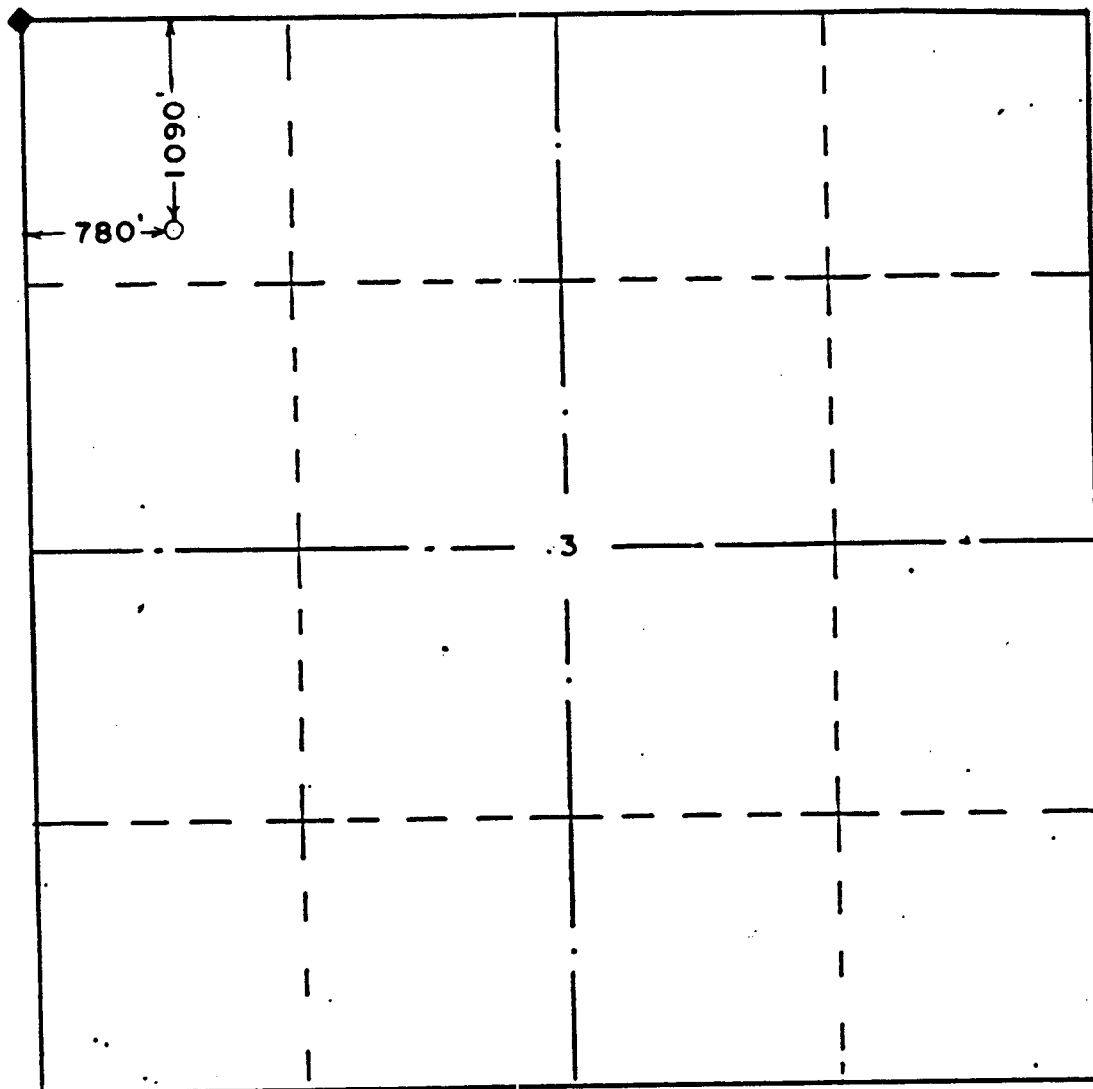
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

WELL LOCATION AND ACREAGE DEDICATION PLAT



1"=1000'
 ◆ brass cap

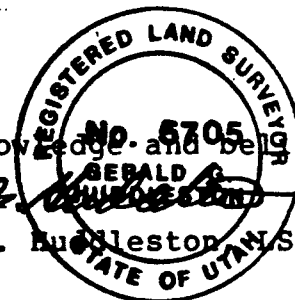
WELL LOCATION DESCRIPTION:

R. T. DUNCAN, Cave Canyon 3 - 4
 1090'FNL & 780'FWL
 Section 3, T.38 S., R.24 E., SLM
 San Juan, UT.
 5316' ground elevation

The above plat is true and correct to my knowledge and belief.

29 May 1990

Gerald G. Buckleston



ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

CONFIDENTIAL

CAVE CANYON FEDERAL #3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

Prepared For:

RAYMOND T. DUNCAN

By:

PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888

Copies Sent To:

- 4 - BLM - Moab, Utah
- 1 - Div. of Oil, Gas & Mining - SLC, Utah
- 3 - Raymond T. Duncan - Denver, CO



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Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. ' '
Raymond T. Duncan
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 3

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

1. The surface formation and estimated formation tops to be encountered are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Dakota	Surface	
Hermosa Group	4780'	+ 549'
Ismay	5765'	- 436'
Upper Ismay Porosity	5794'	- 465'
Lower Ismay	5988'	- 659'
Gothic Shale	6028'	- 699'
Desert Creek	6058'	- 729'
Lower Desert Creek Por.	6105'	- 776'
Chimney Rock Shale	6121'	- 792'
Akah	6147'	- 818'
T.D.	6180'	- 851'

2. The estimated depths at which oil, gas, water or other mineral bearing zones are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Anticipated Depth</u>
Oil	Ismay	5765'

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth cased and cemented. All oil and gas shows will be tested to determine commercial potential.



Cave Canyon Federal 3-4

1090' FNL and 780' FWL

NW NW Sec. 3, T38S - R24E

San Juan County, Utah

DRILLING PROGRAM

Page 4

3. Pressure control equipment will consist of a 10", 3000# BOP. (See BOP Diagram attached.)

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

4. a. Casing

The proposed casing program is as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Conductor	0-120'	17-1/2"	13-3/8"	48#			New
Surface	0-2075'	12-1/4"	8-5/8"	24#	K-55	ST&C	New
Produc.	0-6180'	7-7/8"	5-1/2"	15.5#	K-55	LT&C	New

b. Cement

The cementing program will be as follows:

<u>Conductor</u> 0-120'	<u>Type and Amount</u> Sufficient to circulate to surface
<u>Surface</u> 0-1915'	<u>Type and Amount</u> 1050 sx or sufficient to circulate to surface.
<u>Production</u>	<u>Type and Amount</u> 400 sx or - sufficient to cover zones of interest.

Anticipated cement tops will be reported as to depth, not the expected number of sacks.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO.
Raymond T. Duncan —
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 5

c. Auxiliary Equipment will be as follows:

1. Kelly cock.
2. Float above the bit.
3. A sub with a full opening valve will be on the floor when the kelly is not in use.

5. Drilling fluid will be as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-4400'	Natural	9.0-9.2	35	10-20	—
4400-T.D.	Chem. Gel	9.2-9.5	45	10 thru pays	

Operations will be conducted in accordance with ONSHORE IL & GAS ORDER NO. 2; DRILLING OPERATIONS, except where advance approval for a variance has been obtained.

6. Coring, logging and testing programs are as follows:

- a. No cores are anticipated.
- b. The logging program will consist of the following: A Dual Induction will be run from 1915' to T.D. A BHC Acoustic and CNL/FDC will be run from 5600' to T.D.
- c. No drill stem tests are anticipated.

Whether the well is completed as a dry hole or as a producer, "Well Completion or Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1(b). Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

ONSHORE ORDER NO.
Raymond T. Duncan
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 6

7. Abnormal conditions, bottom hole pressures and potential hazards.
 - a. The maximum bottom hole pressure to be expected is 2200 psi.
8. Anticipated Starting Dates and Notifications of Operations
 - a. Raymond T. Duncan plans to spud the Cave Canyon Federal #3-5 on approximately August 1, 1990 and intends to complete the well within approximately one month after the well has reached T.D.
 - b. Required verbal notifications are summarized in Table I, attached. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
 - c. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with Minerals Management Service.
 - d. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
 - e. Should the well be successfully completed for production, the District Manager will be notified when the well is placed in producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
 - f. A first production conference may be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.



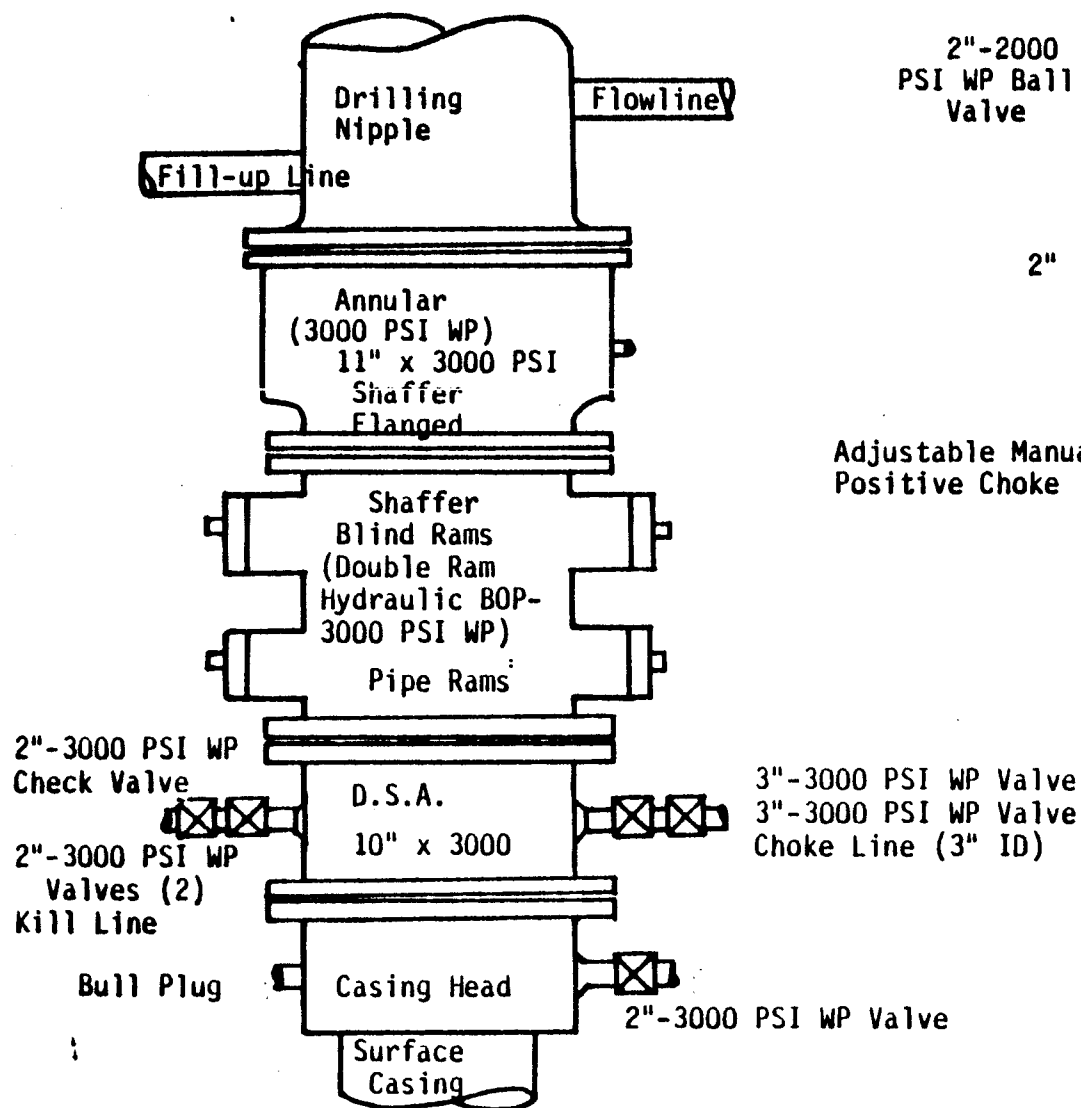
DRILLING PROGRAM

Page 7

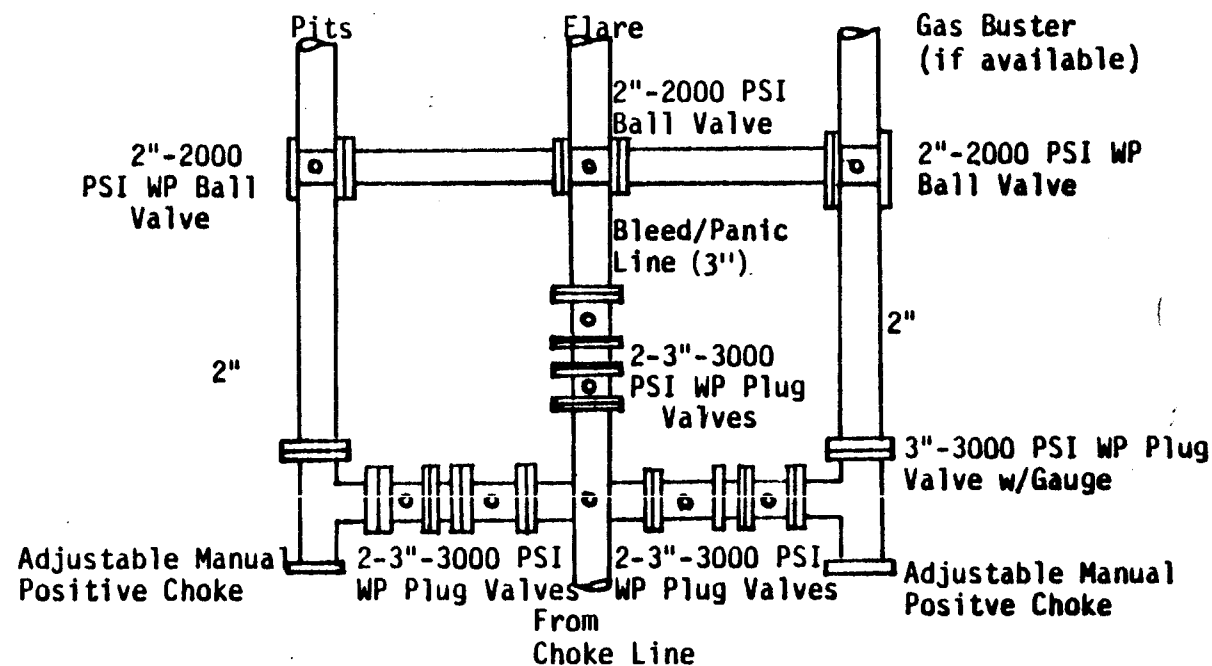
- g. A Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.
- h. Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office Approval pursuant to guidelines in NTL-4A.
- i. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6(d) and Onshore Oil and Gas Order No. 2.
- j. The following minimum information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch:

Well name and number, location by 1/4 1/4 section, township and range, Lease number and operator.

**BOP SCHEMATIC
3000 PSI WORKING PRESSURE**



PLAN VIEW CHOKES MANIFOLD



The hydraulic closing unit will be located more than 30' from the wellhead. Choke & bleed/panic lines will go to the pit and flare. All connections in choke line and manifold will be flanged or welded. All flang should be ring joint gasket type. All turns in lines shall be constructed using targeting 90° tees or block ells. All lines shall be anchored.

ONSHORE ORDER NO.
Raymond T. Duncan —
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

Cor vential - Tight Hole

SURFACE USE PLAN

Page 1

Thirteen Point Surface Use Plan

1. Existing Roads

- a. The proposed well site is located 32 miles southeast of Monticello, Utah.
- b. Directions to the location from Monticello are as follows:

From the south edge of town go South on Highway 191 for 11.6 mile. Turn left (east) Alkali #204 (County Road) and proceed east and south for 3.1 miles to a fork in the road. Turn left and continue on Alkali #204 in a southeasterly direction for an additional 15 miles. Turn left (east) onto Perkins Road #206 and proceed 2.0 miles. Turn north onto an existing oilfield road and proceed approximately 1/2 mile. Turn right onto new access (flagged) and proceed an additional 300 feet to the location.
- c. The roads in the area are primarily county roads. See Map #1.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. An encroachment permit will be obtained from the San Juan County Road Department, 801/587-2231, ext. 43.

2. Planned Access Roads

- a. There will be approximately 300 feet new access. This access was flagged at the time of staking.
- b. The maximum total disturbed width will be 30 feet.
- c. The maximum grade will be 7%.
- d. No turnouts will be necessary.



ONSHORE ORDER NO.
Raymond T. Duncan —
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

Cor ential - Tight Hole

SURFACE USE PLAN

Page 2

- e. One low water crossing will be necessary as shown on Map #1. A hard rock bottom exists at the crossing point.
 - f. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance by the surface owner.
 - g. The access road (including any existing non-county) road will be brought to Resource (Class III) Road Standards by meeting the minimum design requirements within sixty (60) days of completion of drilling operations.
 - h. All topsoil from the access road will be reserved in place.
3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location. (See Map #1).
- a. Water Wells - one
 - b. Injection or disposal wells - one
 - c. Producing Wells - five
 - d. Drilling Wells - none
4. Location of Tank Batteries and Production Facilities.
- a. All permanent structures (onsite for six months or longer) will be painted a neutral, nonreflective, (Juniper Green) color to blend into the surrounding area, except for those required to comply with the Occupational Safety and Health Act (OSHA) or written company safety manual or documents.
 - b. If a tank battery is constructed on this location, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank; all load lines and valves will be placed inside the dike surrounding the tank battery.

Raymond T. Duncan

Cave Canyon Federal 3-41090' FNL and 780' FWL

NW NW Sec. 3, T38S - R24E

San Juan County, Utah

SURFACE USE PLAN

Page 3

- c. All site security guidelines identified in 43 CFR 3162.7-5 and ONSHORE OIL & GAS ORDER NO. 3; SITE SECURITY will be adhered to.
- d. Gas measurement will be conducted in accordance with the ONSHORE OIL & GAS ORDER NO. 5; GAS MEASUREMENT and 43 CFR 3162.7-3.
- e. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.
- f. Oil measurement will be conducted in accordance with ONSHORE OIL & GAS ORDER NO. 4; OIL MEASUREMENT as of the effective date of August 23, 1989 and 43 CFR 3162.7-2.
- g. If the well is productive, the production facilities will be located at a central tank battery located at the Cave Canyon #3-2 in the NE SW Section 3, T38S - R24E, San Juan County, Utah.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry. The production pit will be flagged overhead.

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from the Cave Canyon Water Source well located approximately 80 feet SW of the Cave Canyon #3-2 producing well. Other water may be obtained from the Richard Gore Artesian wells.
- b. Water will be trucked to location over the county roads in the area.
- c. No water well is to be drilled on this lease.
- d. Use of water for this operation will approved by obtaining a temporary use permit from the Utah State Engineer, in Price, Utah, 801/637-1303.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. _____
Raymond T. Duncan
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 4

- e. Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.
6. Source of Construction Material
- a. Road surfacing material will be obtained from on-site and in place materials.
 - b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.
7. Methods for Handling Waste Disposal
- a. The reserve pit will be constructed with at least 1/2 of the capacity in cut material and will be lined with 24 tons of bentonite.
 - b. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four (4) strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four (4) feet. The fence will be kept in good repair while the pit is drying.
 - c. No liquid hydrocarbons (i.e. fuels, lubricants, formation) will be discharged to the reserve pit.
 - d. No chrome compounds will be on location.
 - e. All trash will be placed in a trash basket and hauled to a county refuge facility as necessary.
 - f. Produced waste water will be confined to the reserve pit for a period not to exceed ninety (90) days after initial production. During the 90-day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to NTL-2B.

ONSHORE ORDER NO.
Raymond T. Duncan —
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 5

8. Ancillary Facilities

- a. There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. See Diagram #1 for rig layout. See Diagram #2 for cross section of drill pad. See Diagram #3 for cuts and fills.
- b. The location of mud tanks; reserve, trash cage; pipe racks; living facilities and soil stockpiles will be shown on Diagrams #1 and #3. The location will be laid out and constructed as discussed during the predrill conference.
- c. The maximum amount of topsoil available will be removed and stockpiled on the north and west sides of the location as shown on Diagram #3.
- d. Access to the well pad will be as shown on Map #1.

10. Reclamation

- a. Within 24 hours of completion of drilling, the location and surrounding area will be cleared of all remaining debris, materials, and junk not required for production.
- b. As soon as the reserve pit has dried or within eighteen (18) months whichever is least, all areas not needed for production (including access road) will be filled in, recontoured to approximately natural contours and as much topsoil as was removed will be replaced leaving enough for future restoration (unless the well is a dry hole). The remaining topsoil (if any) will be stabilized and seeded in place.
- c. The area will be seeded between October 1 and February 28 with:
 - 3 lbs/acre Indian Ricegrass
 - 8 lbs/acre Crested wheatgrass
 - 5 lbs/acre Fourwing saltbush
 - 3 lbs/acre Forage Kochia

Raymond T. Duncan

Cave Canyon Federal 3-41090' FNL and 780' FWL

NW NW Sec. 3, T38S - R24E

San Juan County, Utah

SURFACE USE PLAN

Page 6

Prior to seeding the location will be ripped 12 inches deep and 18 inches apart after recontouring. After broadcasting of seed a light harrow will be dragged over the location to bury the seed. If the seed is drilled, the seeding rate may be 75% of the above rates. Water bars and/or terracing may be required by the Authorized Officer at the time of rehab.

- h. The reserve pit and that portion of the location and access road not needed for production and production facilities will be reclaimed.

- 11. a. Surface Ownership

Bureau of Land Management

- b. Mineral Ownership

Bureau of Land Management

- 12. Other Information

- a. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling producing, suspended, or abandoned and/or separate facilities, will be identified in accordance with 43 CFR 3162.6.
- b. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.6.
- c. The dirt contractor will be provided with an approved copy of the surface use plan.
- d. An archeological study was conducted by LaPlata Archaeological Consultants. A small arch site was found but can be avoided by the wellpad. Clearance has been recommended. A copy of this report is attached.



Permitco Incorporated
A Petroleum Permitting Company

Raymond T. Duncan

Cave Canyon Federal 3-4

1090' FNL and 780' FWL

NW NW Sec. 3, T38S - R24E

San Juan County, Utah

SURFACE USE PLAN

Page 7

- e. A single barbed wire fence will be placed between the location and the arch site prior to construction.
- f. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.
- g. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.
- h. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO.
Raymond T. Duncan
Cave Canyon Federal 3-4
1090' FNL and 780' FWL
NW NW Sec. 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 8

- i. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

13. Lessee's or Operator's Representative and Certification

Permit Matters

PERMITCO INC.
Lisa L. Smith
13585 Jackson Drive
Denver, CO 80241
303/452-8888

Drilling & Completion Matters


RAYMOND T. DUNCAN
1777 S. Harrison St.
Penthouse One
Denver, CO 80210
303/759-3303 (W) -
303/733-3604 (H) - John Bettridge

Certification

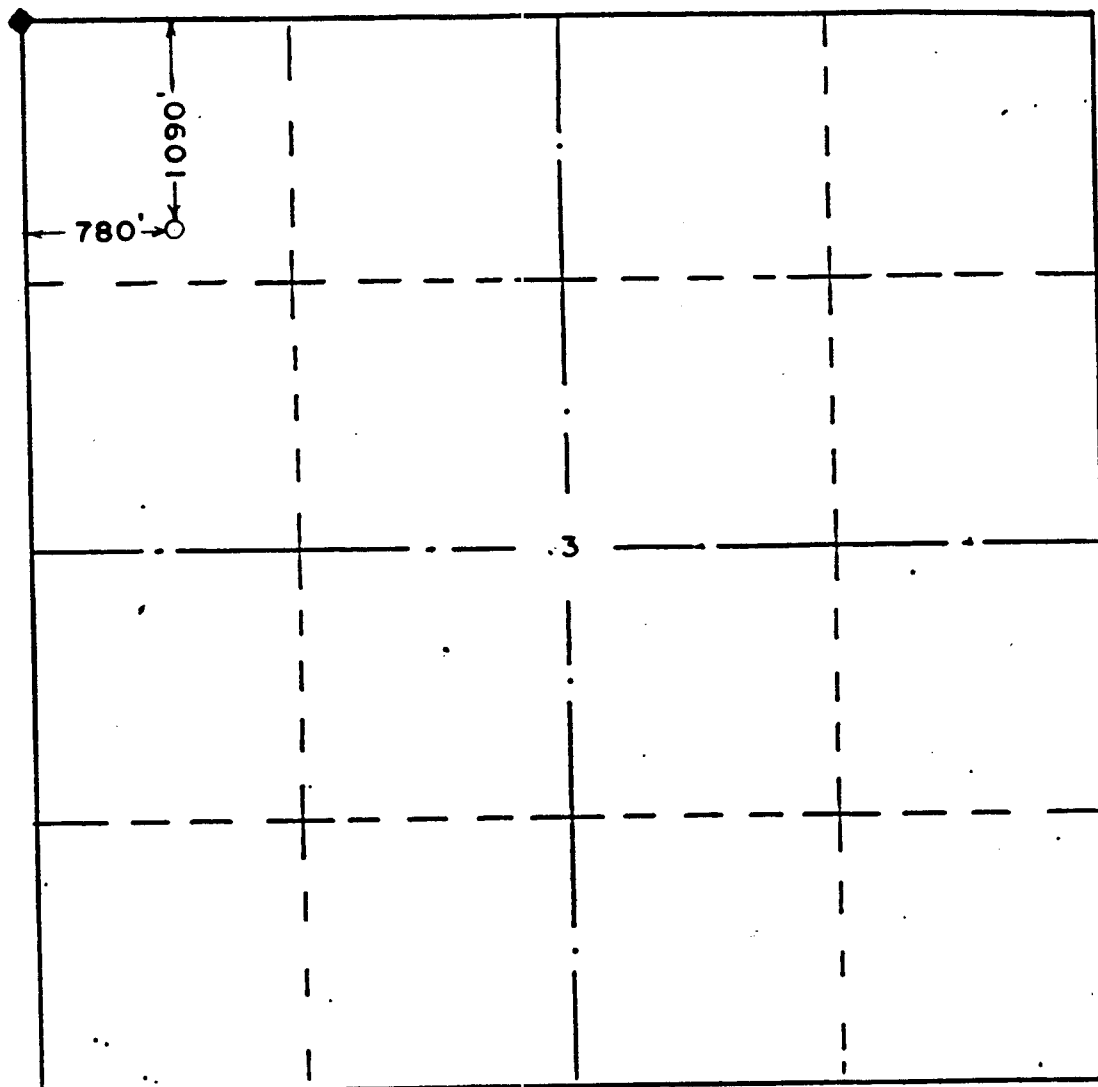
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Raymond T. Duncan and its contractors and subcontractors in conformity with the plan and the term and conditions under which it is approved.

This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.

June 26, 1990
Date: _____


Lisa L. Smith - PERMITCO INC.
Authorized Agent for:
RAYMOND T. DUNCAN

WELL LOCATION AND ACREAGE DEDICATION PLAT



1"=1000'

◆ brass cap

WELL LOCATION DESCRIPTION:

R. T. DUNCAN, Cave Canyon. 3 - 4

1090'FNL & 780'FWL

Section 3, T.38 S., R.24 E., SLM

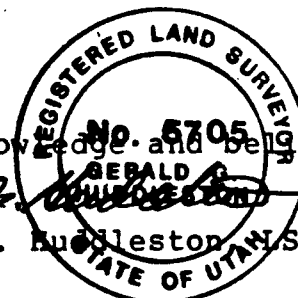
San Juan, UT.

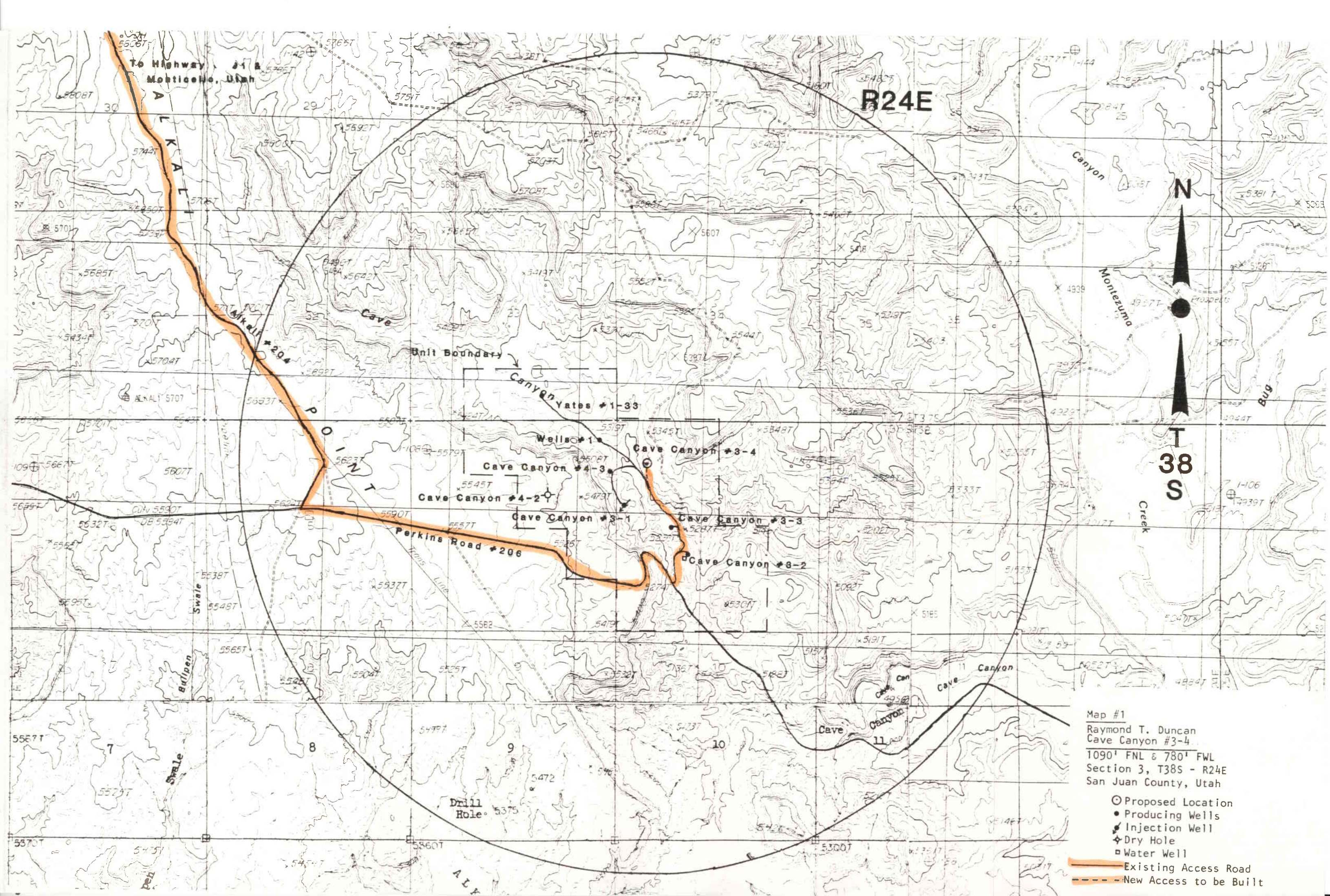
5316' ground elevation

The above plat is true and correct to my knowledge and belief.

29 May 1990

Gerald G. Huddleston





Map #1
Raymond T. Duncan
Cave Canyon #3-4
1090' FNL & 780' FWL
Section 3, T38S - R24E
San Juan County, Utah

- Proposed Location
- Producing Wells
- ✕ Injection Well
- ◆ Dry Hole
- Water Well
- Existing Access Road
- - - New Access to be Built

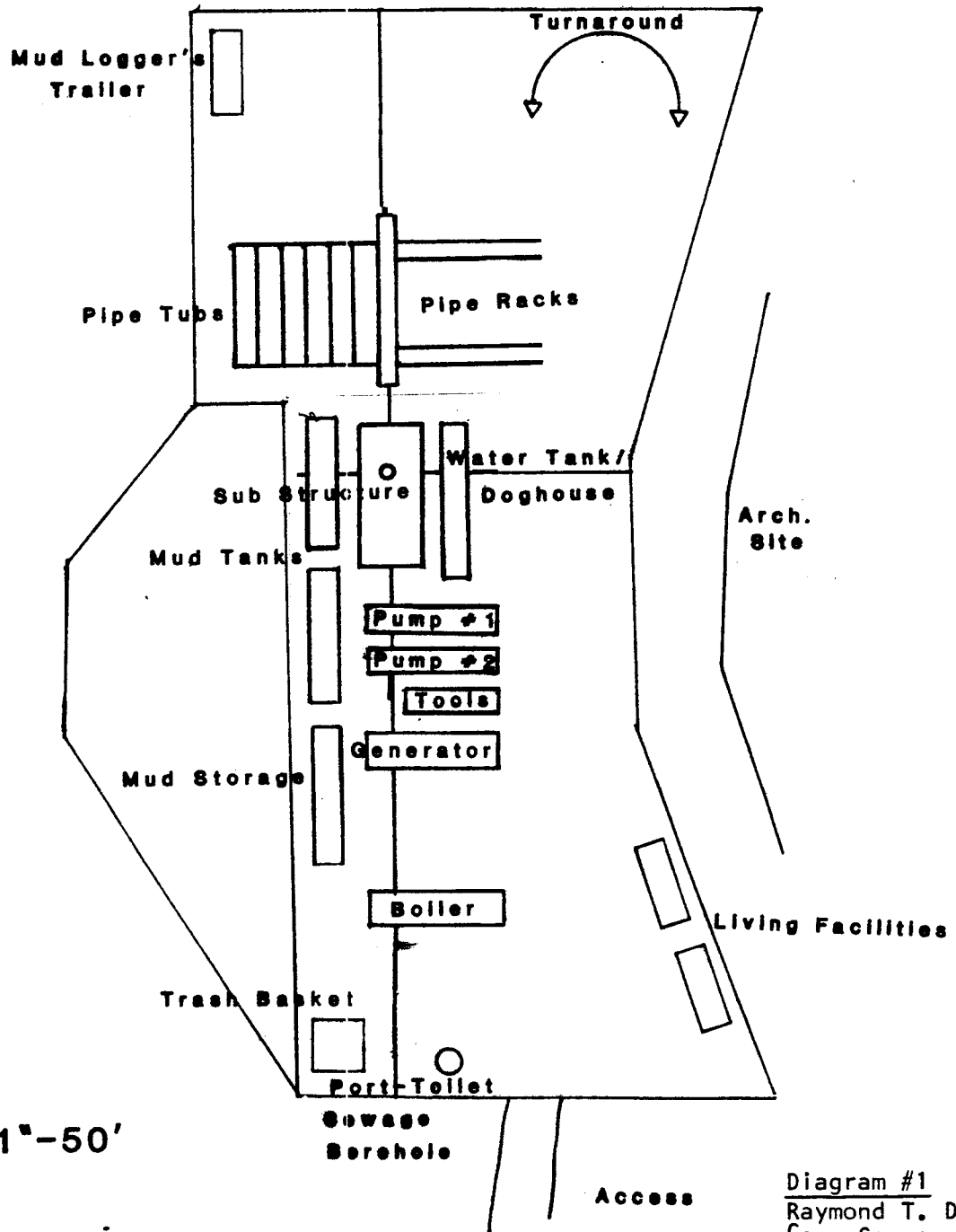
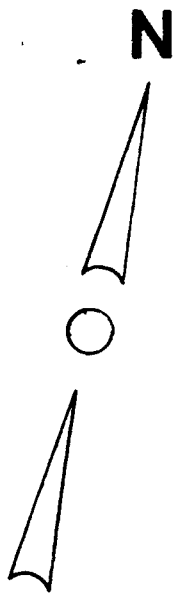


Diagram #1
Raymond T. Duncan
Cave Canyon #3-4
1090' FNL & 780' FWL
Section 3, T38S - R24E
San Juan County, Utah

Diagram #2
 Raymond T. Duncan
 Cave Canyon #3-4
 1090' FNL & 780' FWL
 Section 3, T38S - R24E
 San Juan County, Utah

Plan View Sketch

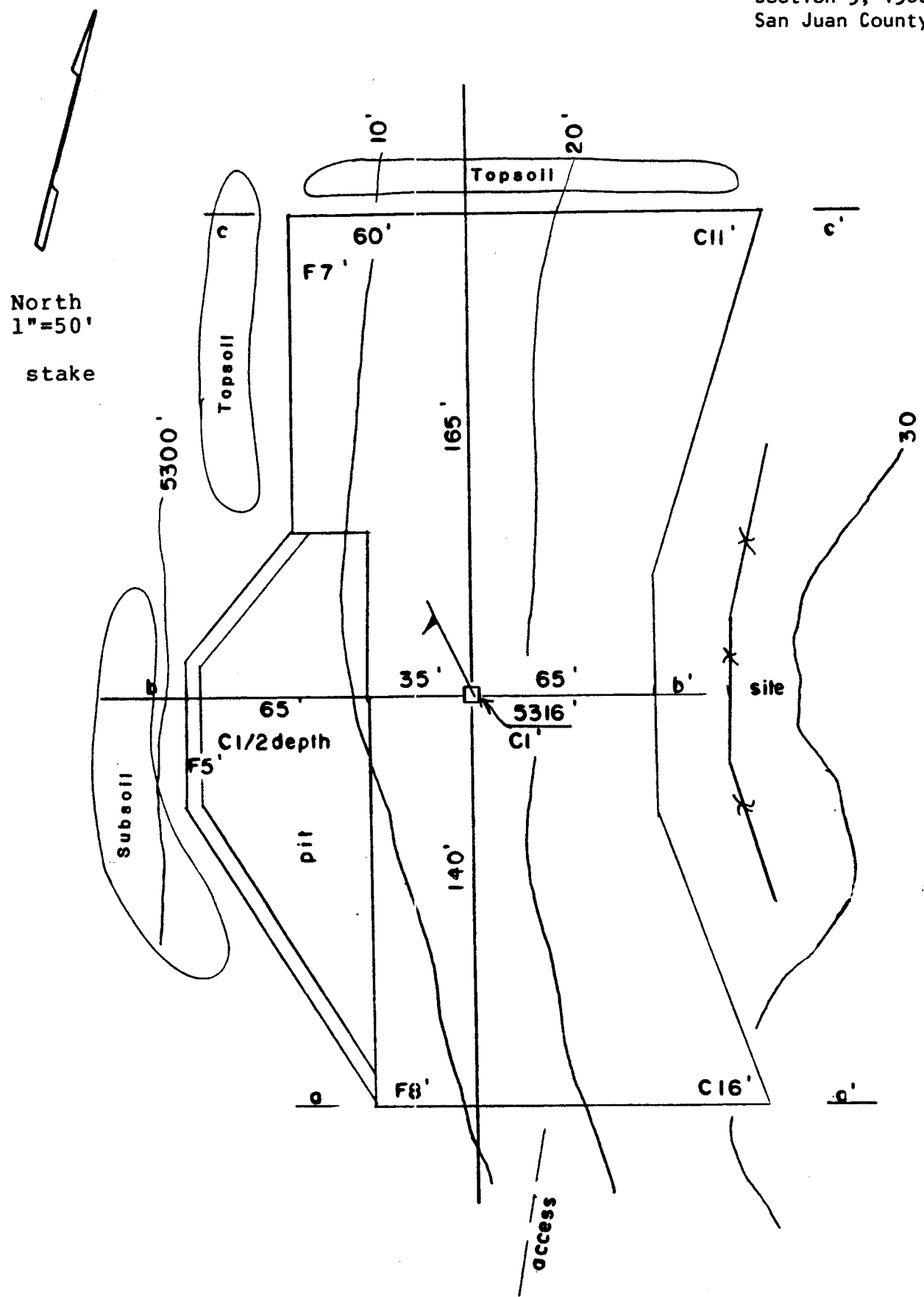
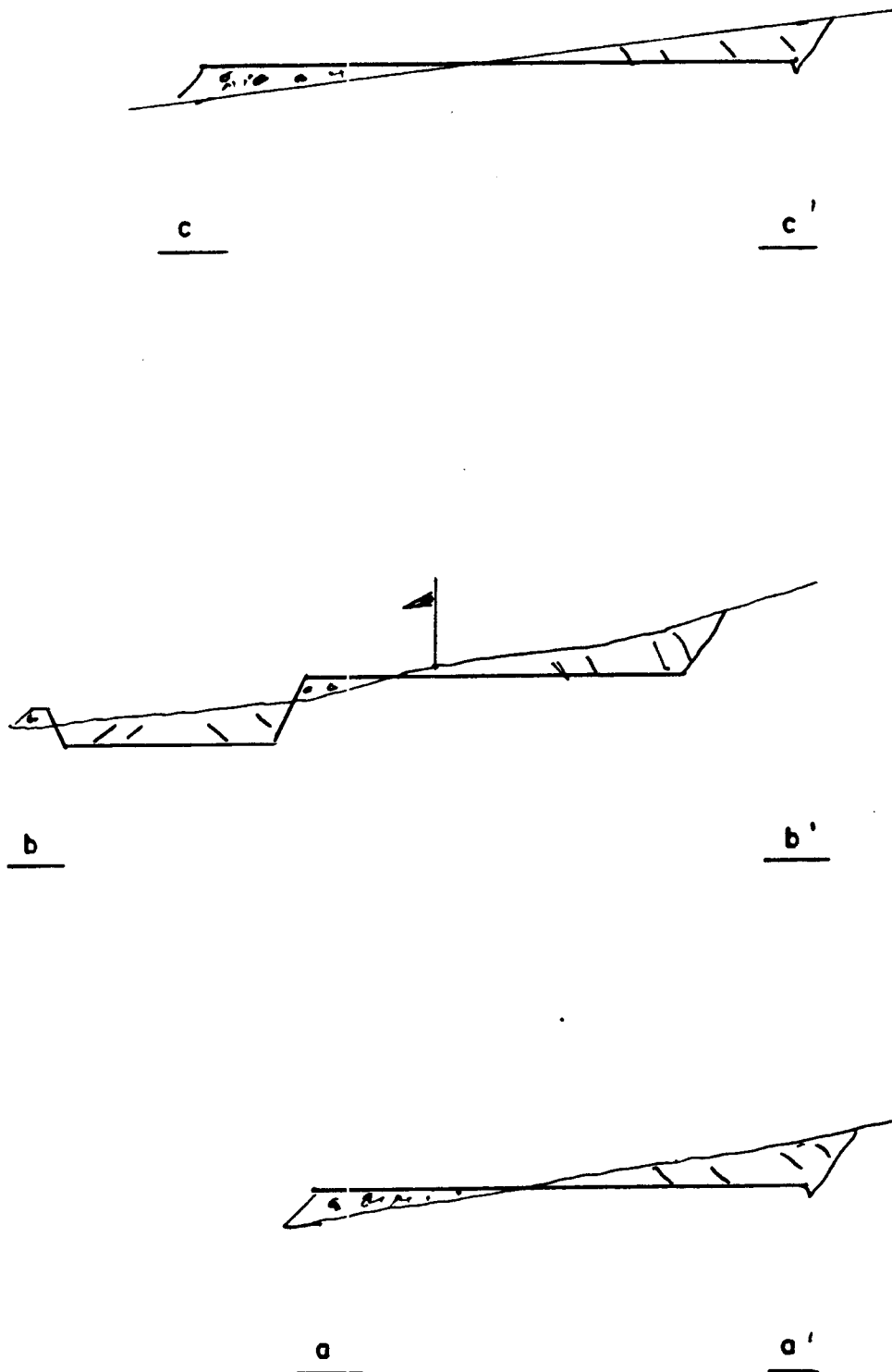


Diagram #3
Raymond T Duncan
Cave Canyon #3-4
1090 FNL & 780' FWL
Section 3, T38S - R24E
San Juan County, Utah

Cross Section

Cut ////
Fill

1"=50' Horz. & Vert.



**ARCHAEOLOGICAL SURVEY OF
RAYMOND T. DUNCAN'S
CAVE CANYON FEDERAL 3-4 WELL PAD AND ACCESS ROAD
SAN JUAN COUNTY, UTAH**

LAC REPORT 9076c

By
Steven L. Fuller

**LA PLATA ARCHAEOLOGICAL CONSULTANTS
P.O. BOX 783
DOLORES, COLORADO 81323
(303) 882-4933**

June 4, 1990

**FEDERAL ANTIQUITIES PERMIT
89UT57626
UTAH STATE PERMIT
U90-LA-218b**

Prepared for:

Raymond T. Duncan
1777 South Harrison, Penthouse 1
Denver, Colorado 80210

ABSTRACT

The archaeological survey of Raymond T. Duncan's Cave Canyon Federal 3-4 well pad and access road was conducted by personnel of La Plata Archaeological Consultants on May 30, 1990. The project is located in San Juan County, Utah on lands administered by the Bureau of Land Management, San Juan Resource Area. A 100 foot wide corridor was surveyed along the 200 foot access road and a 650 by 650 foot area (10 acres) was surveyed surrounding the well center stake. One archaeological site was encountered and recorded on the east edge of the well pad and can be protected during construction; archaeological clearance is recommended for the project.

INTRODUCTION

On May 30, 1990 the archaeological survey of Raymond T. Duncan's Cave Canyon Federal 3-4 well pad and access road was conducted by Steven L. Fuller of La Plata Archaeological Consultants. The survey was requested by Ms. Lisa Smith of Permitco, who was acting as a permit agent for Raymond T. Duncan. The well pad and access road are on lands administered by the Bureau of Land Management, San Juan Resource Area and are in San Juan County, Utah.

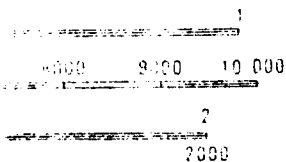
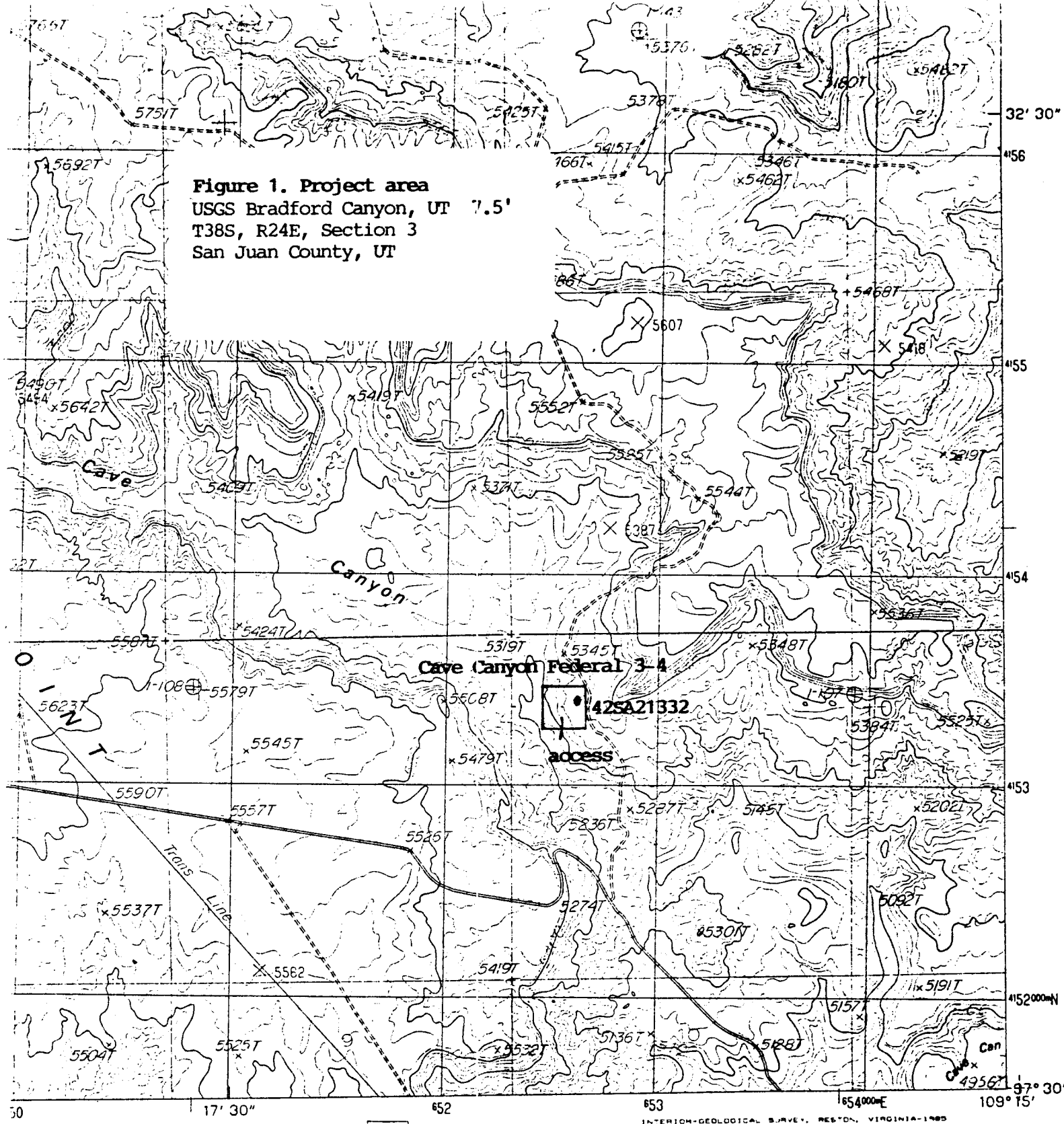
The project is located in T38S, R24E, Section 3, NW 1/4 NW 1/4. The project is included on the USGS Bradford Canyon, Utah (1985 provisional) 7.5' series topographic map (Figure 1). The project will involve construction of a well pad which will measure about 300 by 230 feet, and about 200 feet of access road which will extend from an existing oilfield road to the southwest. A total of 10.5 acres were examined for this project. A single site, 42SA21332, was encountered and recorded to the east of the proposed well location. Through modification of the pad and fencing, the site can be protected during construction.

PHYSIOGRAPHY AND ENVIRONMENT

The project area is located in Cave Canyon, on a canyon slope to the east of the bottom of the canyon bottom. Just to the east of the location, the topography flattens on a bench that extends back to the canyon wall to the east. Soils are formed on a shallow, cobbly colluvium and sandstone boulders and outcrops are exposed to the north and east of the survey area. Vegetation consists of grasses, snakeweed, shadscale, narrow leaf yucca with sparse pinyon and juniper to the northeast on sandstone outcrops and ridges.

The present land use pattern includes livestock grazing and oil and gas development. The closest water sources are probably springs and seeps in Cave Canyon.

Figure 1. Project area
 USGS Bradford Canyon, UT 7.5'
 T38S, R24E, Section 3
 San Juan County, UT



QUADRANGLE LOCATION

1	2	3	1 Blanding North
4		5	2 Devil Mesa
			3 Horsehead Point
			4 Blanding South
			5 Big Canyon
			6 Big Bench
			7 McCracken Spring
			8 Hoth Trading Post

-2-

ADJOINING 7.5' QUADRANGLE NAMES

ROAD LEGEND

Improved Road
 Unimproved Road
 Trail

○ Interstate Route □ U.S. Route ○ State Route

BRADFORD CANYON, UTAH
 PROVISIONAL EDITION 1985

37109-1 UTE-224

SURVEY PROCEDURES

The official file search was conducted with the BLM files located in the San Juan Resource Area Office on May 29, 1990. This search indicated that numerous archaeological surveys have been conducted in the vicinity of the project area, primarily several well pad surveys conducted by La Plata for Raymond T. Duncan and several seismic line surveys conducted by AERC, DCA, and La Plata during the early and mid-1980s. The nearest previously recorded site, 42SA16648, was recorded by La Plata for a Duncan well pad and is located almost 1000 feet south of the survey area.

The on-the-ground survey consisted of walking a zigzag transect down one side of the access road centerline and returning down the opposite side. A total width of 100 feet was covered with transect spacing averaging 50 feet or about 15 m. The proposed alignment was flagged during the final archaeological survey. Parallel pedestrian transects spaced about 15 m apart were used to cover the 650 by 650 foot (10 acre) area surrounding the well center stake.

The access road and well pad together contain a total of 10.5 acres which were inventoried for cultural resources for this project. All acreage is administered by the Bureau of Land Management, San Juan Resource Area.

SURVEY RESULTS

One archaeological site was encountered and recorded on the east edge of the well pad and consists of a Pueblo III activity area or temporary habitation. The site may contain additional information on the prehistory of this area and is considered potentially eligible for nomination to the National Register of Historic Places. The site is described as:

• Site Number: 42SA21332

Description: The site consists of a dry-laid wall that extends around the base of a sandstone boulder, forming an enclosed area (Figure 2). The wall is about 7 m long and arc-shaped and may have served to enclose a granary or temporary living space. The wall fall measures about 30-50 cm in height. Associated with the wall is a light sherd scatter that extends downslope to the west. Within the scatter are two Mesa Verde Black-on-white bowl sherds and about 15 late Pueblo whether sherds. No flaked lithic or nonflaked lithic items were noted. The site is a probable Pueblo III limited activity locus or temporary habitation.

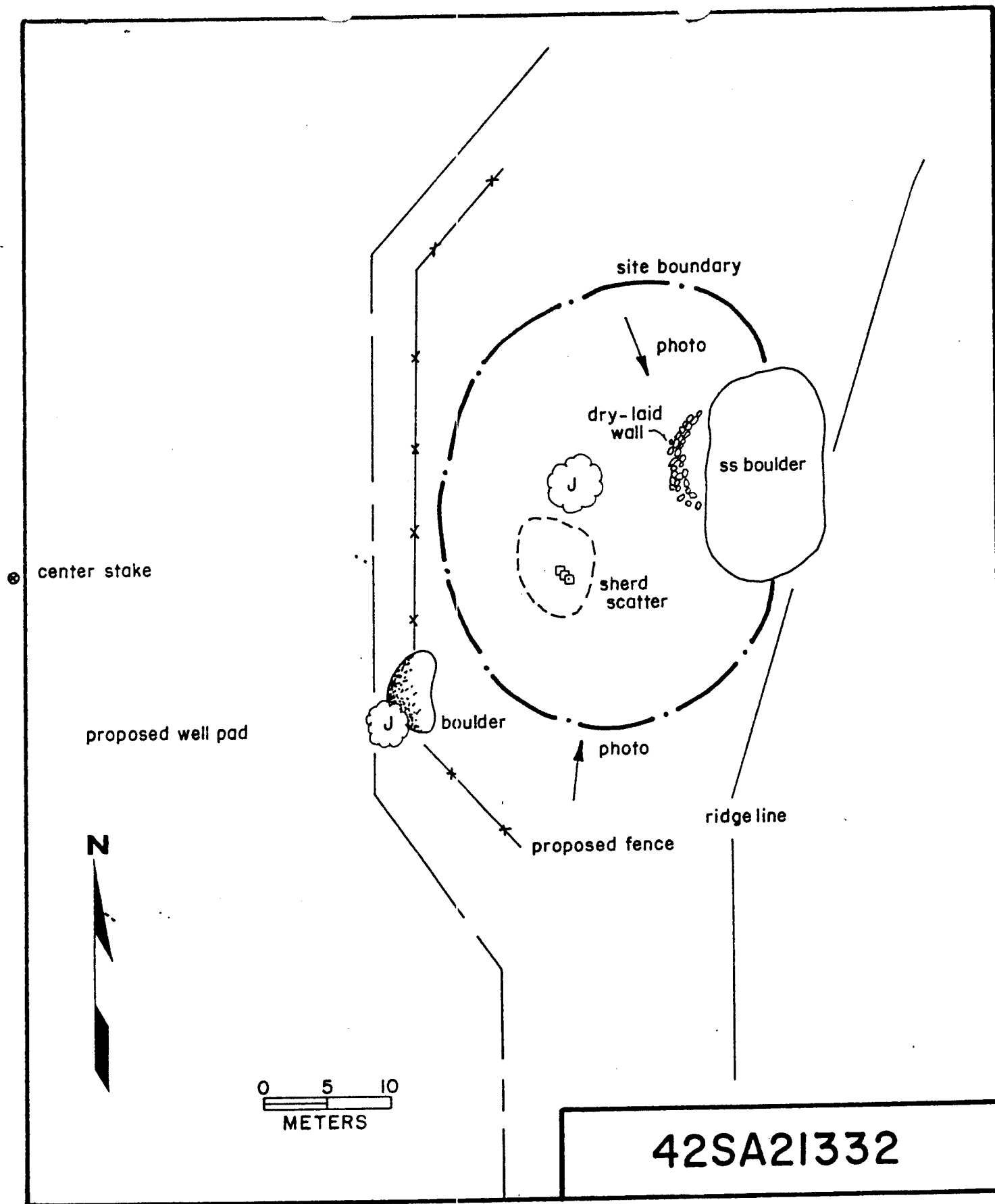


Figure 2

CONCLUSIONS AND RECOMMENDATIONS

The archaeological survey for Raymond T. Duncan's Cave Canyon Federal 3-4 access road and well pad was conducted on May 30, 1990 by personnel of La Plata Archaeological Consultants. The project is located on lands administered by the Bureau of Land Management, San Juan Resource Area. The one site encountered in the well pad survey block is on the east edge of the proposed well location and a fence, as indicated on Figure 2, is recommended in order to limit construction disturbance in this area. Archaeological clearance is recommended for the project if site 42SA21332 can be protected during construction.

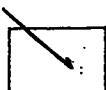
CONFIDENTIAL

OPERATOR Raymond J. Durcan ¹⁰³⁶⁰ DATE 6-08-90
WELL NAME Cable Canyon #2 dual 3-4
SEC 14NW 3 T 38S R 04E COUNTY San Juan

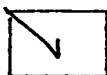
43-037-31540
API NUMBER

tidual
TYPE OF LEASE

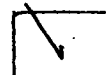
CHECK OFF:



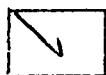
PLAT



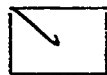
BOND



NEAREST
WELL



LEASE



FIELD



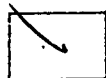
POTASH OR
OIL SHALE

PROCESSING COMMENTS:

Exception Location no other owner within 400' radius
water permit

APPROVAL LETTER:

SPACING:



R615-2-3

Cable Canyon
UNIT



R615-3-2



N/A
CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

1- needs water permit



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

July 6, 1990

Raymond T. Duncan
1777 S. Harrison Street
Denver, Colorado 80210

Gentlemen:

Re: Cave Canyon Fed. 3-4 - NW NW Sec. 3, T. 38S, R. 24E - San Juan County, Utah
1090' FNL, 780' FWL

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule R615-2-3, Oil and Gas Conservation General Rules, subject to the following stipulation:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

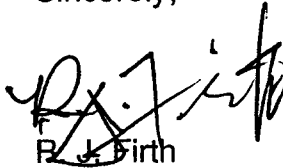
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Raymond T. Duncan
Cave Canyon Fed. 3-4
July 6, 1990

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31542.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Firth", is written over a printed name.

R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
WE14/1-11

Form OGC-1a

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. Lease Designation and Serial No.

U-47876

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Cave Canyon Unit

8. Farm or Lease Name

Cave Canyon Federal

9. Well No.

#3-4

10. Field and Pool, or Wildcat

Cave Canyon

11. Sec., T., R., M., or Bk. and Survey or Area

Sec. 3 T38S - R24E

12. County or Parrish 13. State

San Juan, Utah

16. No. of acres in lease

1289.44

17. No. of acres assigned to this well

40

20. Rotary or cable tools

Rotary

22. Approx. date work will start*

July 15, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17 1/2 "	13 3/8"	48#	120'	To Surface
12 1/4"	8 5/8"	24#	1915'	1050 Sx or suffic to circ to
7 7/8"	5 1/2 "	15.5#	6180'	400 Sx or Suffic to Cover Zones of interest

Raymond T. Duncan proposes to drill a well to 6180' to test the Ismay formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See On Shore Order No. 1 attached.

We realize that the above location has been staked at non-standard footages in accordance with the spacing rules of the State of Utah, Division of Oil, Gas & Mining. This location was based on topography and seismic considerations and we request that you grant approval of an exception to spacing. Raymond T. Duncan is the lessee of all of Sections 3 & 4, T38S R24E.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

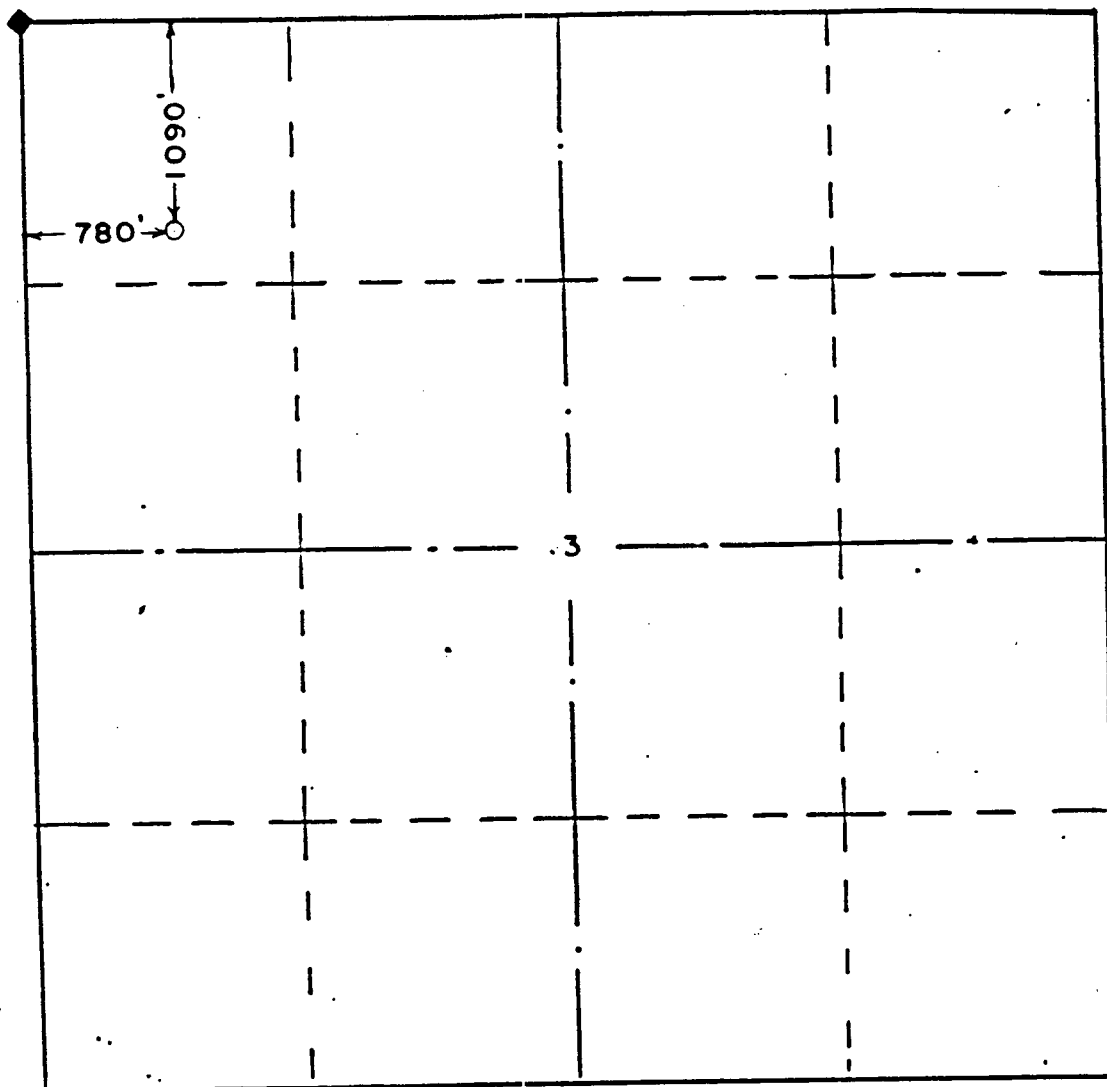
24. Raymond T. Duncan Consultant for Raymond T. Duncan Date 6/25/90

(This space for Federal or State office use)

Permit No. Approval Date

Approved by..... Title..... Date.....
Conditions of approval, if any:

WELL LOCATION AND ACREAGE DEDICATION PLAT



1"=1000'

◆ brass cap

WELL LOCATION DESCRIPTION:

R. T. DUNCAN, Cave Canyon. 3 - 4

1090'FNL & 780'FWL

Section 3, T.38 S., R.24 E., SLM

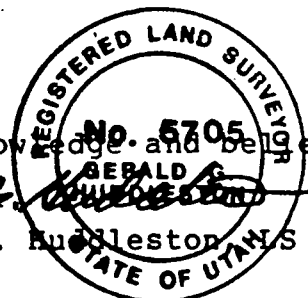
San Juan, UT.

5316' ground elevation

The above plat is true and correct to my knowledge and belief.

29 May 1990

Gerald G. Hueston



Raymond T. Duncan
Well No. Cave Canyon Federal 3-4
NWNW Sec. 3, T. 38 S., R. 24 E.
San Juan County, Utah
U-47876

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Raymond T. Duncan is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by BLM Bond WY0271 (Principal - Raymond T. Duncan) via surety consent as provided for in 43 CFR 3104.3.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, Onshore Oil and Gas Order No. 2 and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

1. If unconsolidated rock is encountered, conductor shall be set ten (10) feet into underlying bedrock with cement circulated to surface.
2. Surface casing shall be set at least 50 feet into the Chinle Formation regardless of the depth the Chinle is encountered.

If a replacement rig is needed for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed for prior approval from the District Office, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved through the District Office.

B. STIPULATIONS

1. In order to protect important deer winter range; exploration, drilling, and other development activity will be allowed only during the period from April 1 to November 30. Exceptions to this limitation in any year may be specifically authorized in writing by the District Engineer, Geological Survey, with the concurrence of the District Manager, Bureau of Land Management.

TABLE 1

NOTIFICATIONS

Notify Mike Wade of the San Juan Resource Area, at
(801) 587-2141 for the following:

- 2 days prior to commencement of dirt work, construction or reclamation;
- 1 day prior to spudding;
- 1 day prior to running and cementing surface casing;
- 1 day prior to pressure testing of BOPE and/or surface casing.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111
for the following:

No well abandonment operations will be commenced without the prior approval of the Assistant District Manager, Mineral Resources. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed:

Dale Manchester, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-6239
Eric Jones, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-2214

If unable to reach the above individuals including weekends, holidays, or after hours, please call the following:

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111
Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS.

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN DUPLICATE
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

B. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

DIVISION OF

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR 303-759-3303

Raymond T. Duncan

1777 S. Harrison, Penthouse 1
Denver, Colorado 80210

3. ADDRESS OF OPERATOR 303-452-8888

Permitco Inc., Agent

13585 Jackson Drive
Denver, Colorado 80241

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1090' FNL & 780' FWL

At proposed prod. zone

NW NW

43-027-21542

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

32 miles southeast of Monticello, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

230'

16. NO. OF ACRES IN LEASE

1289.44

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

900' Approx.

19. PROPOSED DEPTH

6180'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5316' GR

22. APPROX. DATE WORK WILL START*

July 15, 1990

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
--------------	----------------	-----------------	---------------	--------------------

OIL AND GAS	
DFN	RIF
JPB	GIH
DIS	SLS
MICROFILM	
1-	FILE

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Raymond T. Duncan

Consultant for

TITLE Raymond T. Duncan

DATE

6/26/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Assistant District Manager

JUL 31 1990

APPROVED BY

William C. Stringer

TITLE for Minerals

DATE

CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A

Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DUNCAN ENERGY COMPANY

PENTHOUSE ONE

1777 SOUTH HARRISON STREET

DENVER, COLORADO 80210-3925

TELEPHONE (303) 759-3303

FAX (303) 757-0252

RECEIVED
JAN 23 1991

January 21, 1991

Bureau of Land Management
P.O. Box 970
Moab, Utah 84532

DIVISION OF
OIL, GAS & MINING

Gentlemen:

Enclosed please find sundry notice for the change of operatorship from Raymond T. Duncan to Duncan Energy Company for the Cave Canyon Lease Waterflood.

If you require further data please contact Marie O'Keefe of this office.

Sincerely,

Marie O'Keefe

Marie O'Keefe
Engineering Technician

/mo

cc: State of Utah
3 Triad Center #350
Salt Lake City, UT 84180-1203

Effective 6-21-90
per Marie O'Keefe *for*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED
JAN 23 1991

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other See Below

2. Name of Operator
Raymond T. Duncan

3. Address and Telephone No.
1777 S. Harrison St. P-1 Denver, CO. 80210 303-759-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Below

5. Lease Designation and Serial No.
U-47876

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
Cave Canyon Lease
Waterflood

8. Well Name and No.
See Below

9. API Well No.
See Below

10. Field and Pool, or Exploratory Area
Cave Canyon Ismay

11. County or Parish, State
San Juan, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Change of Operator
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Raymond T. Duncan was the previous operator of the Cave Canyon Lease Waterflood. Duncan Energy Company is now the operator of record for the Cave Canyon Lease Waterflood. Offices, personnel and all operations will continue to be the same for Duncan Energy Company as they were for Raymond T. Duncan. Duncan Energy Co. is responsible under the terms and conditions of the lease for operations conducted on the leased lands.

WELL NAME	LOCATION	WELL STATUS	API #
Cave Canyon 3-2	T38S R24E Sec 3	NESW Producing Oil Well	43-037-31120
Cave Canyon 4-3	" " " 4	NENE " " "	43-037-31414
Cave Canyon 3-3	" " " 3	SENE Shut in Oil Well	43-037-31413
Wells Federal 1-4	" " " 4	NENE Producing Oil Well	43-037-31028
Cave Canyon 3-1	" " " 3	SWNW Water Injection Well	43-037-31095
1-Cave Canyon-WSW	" " " 3	NESW Water Supply Well	43-037-99998
Cave Canyon 4-4	" " " 4	NENE Producing Oil Well	43-037-31539
Cave Canyon 12-3	" " " 3	SWNW Completing Oil Well	43-037-31567
Cave Canyon 13-3	" " " 3	NWSW Approved Drlg Location	43-037-31570
Cave Canyon 3-4	" " " 3	NWNW " " "	43-037-31542
Cave Canyon 3-5	" " " 3	NWSE " " "	43-037-31541

14. I hereby certify that the foregoing is true and correct

Signed

Title Production Manager

Date January 21, 1991

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED
JAN 23 1991

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Raymond T. Duncan

3. Address and Telephone No.
1777 S. Harrison St. P-1 Denver, CO 80210 303-759-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
T37S R24E Sec 33 SWSE

5. Lease Designation and Serial No.

UTU40751

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

Cave Canyon Lease
Waterflood

8. Well Name and No.

Cave Canyon Fed. 1-33

9. API Well No.

43-037-31276

10. Field and Pool, or Exploratory Area

Cave Canyon Ismay

11. County or Parish, State

San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other <u>Change of Operator</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Raymond T. Duncan was the previous operator of the referenced well. Duncan Energy Company is now the operator of record. Offices, personnel and all operations will continue to be the same for Duncan Energy Company as they were for Raymond T. Duncan. Duncan Energy Company is responsible under the terms and conditions of the lease for operations conducted on the leased lands. This referenced well is in the Cave Canyon Lease Waterflood.

cc: State of Utah

14. I hereby certify that the foregoing is true and correct

Signed

W. S. Fuller

Title Production Manager

Date January 21, 1991

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File _____☐ Suspense☒ Other

(Return Date) _____

OPERATOR CHANGE

(Location) Sec _____ Twp _____ Rng _____

(To - Initials) _____

FILE. _____

(API No.) _____

1. Date of Phone Call: 1-28-91 Time: 10:00

2. DOGM Employee (name) L. ROMERO (Initiated Call ☒)
Talked to:Name MARIE O'KEEFE (Initiated Call ☐) - Phone No. (303) 759-3303

of (Company/Organization) DUNCAN ENERGY COMPANY/N3370

3. Topic of Conversation: EFFECTIVE DATE OF OPERATOR CHANGE

4. Highlights of Conversation: EFFECTIVE DATE 6-21-90, ALSO NO DOCUMENTATION
REQUIRED FROM RAYMOND T. DUNCAN (DUNCAN ENERGY COMPANY & RAYMOND T. DUNCAN ARE
ONE IN THE SAME COMPANY).



Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

January 30, 1991

Duncan Energy Company
PH 1, 1777 S. Harrison St.
Denver, Colorado 80210

Gentlemen:

RE: Transfer of Authority to Inject - Cave Canyon #3-1 Well, Sec. 3, T. 38S.,
R. 24E - San Juan County, Utah

The Division has received a request of operator change for the Cave Canyon #3-1 Well, from Raymond T. Duncan to Durican Energy Company.

Please complete and return to our office the enclosed UIC Form 5, as required by R615-8-21 of the Oil and Gas Conservation General Rules.

If I can be of assistance, please contact me at (801)538-5340.

Sincerely,

Gil Hunt
UIC Manager

Ir
Enclosure

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- LCR	<input checked="" type="checkbox"/>
2- DTS	<input checked="" type="checkbox"/>
3- VLC	<input checked="" type="checkbox"/>
4- RJF	<input checked="" type="checkbox"/>
5- RWM	<input checked="" type="checkbox"/>
6- LCR	<input checked="" type="checkbox"/>

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 6-21-90)

TO (new operator) <u>DUNCAN ENERGY COMPANY</u>	FROM (former operator) <u>DUNCAN, RAYMOND T.</u>
(address) <u>PH 1, 1777 S. HARRISON ST.</u>	(address) <u>1777 S. HARRISON ST., PH 1</u>
<u>DENVER, CO 80210</u>	<u>DENVER, CO 80210</u>
phone (303) <u>759-3303</u>	phone (303) <u>759-3303</u>
account no. <u>N 3370</u>	account no. <u>N 0360</u>

Well(s) (attach additional page if needed):

Name: <u>CAVE CANYON #3-2/ISMY</u>	API: <u>4303731120</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CYN FED 4-3/ISMY</u>	API: <u>4303731414</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CYN FED 3-3/ISMY</u>	API: <u>4303731413</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>
Name: <u>WELLS FED #1/ISMY</u>	API: <u>4303731028</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CANYON #3-1/ISMY</u>	API: <u>4303731095</u>	Entity: <u>9775/WW</u>	Sec <u>3</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CANYON FED 4-4/ISMY</u>	API: <u>4303731539</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CANYON FED 12-3/DR</u>	API: <u>4303731567</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38SRng24E</u>	Lease Type: <u>U-47876</u>

OPERATOR CHANGE DOCUMENTATION

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Rec. 1-23-91)
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec. 1-23-91)
- See 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) yes If yes, show company file number: #110244. (1-28-91)
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (1-31-91)
- See 6. Cardex file has been updated for each well listed above.
- See 7. Well file labels have been updated for each well listed above.
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) NO (If entity assignments were changed, attach copies of Form 5, Entity Action Form). *Case Cyn. Unit / Isiny PA.*
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) _____. Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

RECORDING

1. All attachments to this form have been microfilmed. Date: February 5 1981.

INDEXING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

9/10/28 Btm/meab Have received documentation, bonding looks ok. Is not approved as of yet. Will call when approved.

9/10/29 Btm Approved all wells eff. 6-21-90. (Unit Oper. Duncan Energy Company)

1-
2-
3-
4-
5-
6-

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: _____)

TO (new operator)	<u>DUNCAN ENERGY COMPANY</u>	FROM (former operator)	<u>DUNCAN, RAYMOND T.</u>
(address)	_____	(address)	_____
	_____		_____
	_____		_____
phone ()	_____	phone ()	_____
account no. <u>N 3370</u>		account no. <u>N 0360</u>	

Well(s) (attach additional page if needed):

Name: <u>CAVE CANYON FED 13-3/DRL</u>	API: <u>4303731570</u>	Entity: <u>99999</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CYN FED 3-4/DRL</u>	API: <u>4303731542</u>	Entity: <u>99999</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CYN FED 3-5/DRL</u>	API: <u>4303731541</u>	Entity: <u>99999</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CANYON #1-33/ISMY</u>	API: <u>4303731276</u>	Entity: <u>9775</u>	Sec <u>33</u> Twp <u>37S</u> Rng <u>24E</u>	Lease Type: <u>U-40751</u>
Name: <u>CAVE CANYON 1 (WSW)</u>	API: <u>(NOT ON SYS)</u>	Entity: _____	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>(Water Rights)</u>	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- ___ 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).
- ___ 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
- ___ 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: _____.
- ___ 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- ___ 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above.
- ___ 6. Cardex file has been updated for each well listed above.
- ___ 7. Well file labels have been updated for each well listed above.
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- ___ 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 5, Entity Action Form).
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2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) ____.
Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

FILED

1. All attachments to this form have been microfilmed. Date: _____ 19____.

FILED

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

RECEIVED

AUG 19 1991

DIVISION OF
OIL GAS & MINING

Moab District
P. O. Box 970
Moab, Utah 84532

3162 (U-065)
(U-47876)

Duncan Energy Company
1777 South Harrison Street, Penthouse 1
Denver, Colorado 80210-3925

AUG 16 1991

Re: Application for Permit to Drill
Well No. Cave Canyon Federal 3-4
NWN Sec. 3, T. 38 S., R. 24 E.
San Juan County, Utah
Lease U-47876

43-037-31542

Gentlemen:

The Application for Permit to Drill the referenced well was approved on July 31, 1990. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely yours,

B. Lynn Jackson
Acting Assistant District Manager
Mineral Resources

Enclosure:

Application for Permit to Drill

cc: SJRA (w/o encl.)
State of Utah, Division of Oil, Gas and Mining (w/o encl.) ✓
Permitco Inc. (w/o encl.)

VBatts:vb:6/15/91



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 22, 1991

Duncan Energy Company
1777 South Harrison, Penthouse 1
Denver, Colorado 80210-3925

Gentlemen:

Re: Well No. Cave Canyon Federal #3-4, Sec. 3, T. 38S, R. 24E, San Juan County,
Utah, API No. 43-037-31542

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Supervisor
Oil and Gas

DME/lde
cc: R.J. Firth
Bureau of Land Management - Moab
Well file
WOI196